GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

ENERGY DEPARTMENT – APPFC Ltd., - Issue of Government Guarantee for Rs.5,000/- Crores to Andhra Pradesh Power Finance Corporation Limited (APPFCL) by carving out earlier consent issued for Government Guarantee for Rs.11,416/- Crores to APDISCOMs for swapping of High Interest bearing debt – Amendment - Orders – Issued.

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ENERGY (POWER.III) DEPARTMENT

G.O.Ms.No.28 Dated 05.09.2019

Read the following:

1. G.O.Ms.No.35, Energy, I & I (Power.III) Department, Dated: 30.10.2018.
2. From the Managing Director, APPFCL, Vijayawada, Lr.No.MD/AO/APPFCL/ D.No. 1009/2019, dated:22-08-2019.

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ORDER:

In the reference 1st read above, Government have accord permission for the present to the Managing Director, Andhra Pradesh Power Finance Corporation Limited (APPFCL) for mobilisation of the funds of Rs.5000/- Crores. By private placement of Andhra Pradesh Power Bonds and also stand guarantee for repayment of the principal amount on the due dates of the bonds and the payment of interest thereon with the following terms and conditions and shall take necessary action accordingly:

i. Unconditional and irrevocable Government Guarantee for servicing of the proposed Bonds with name & style of "Andhra Pradesh Power Bonds" with budgetary support;

ii. Since, liability pertains to Government of Andhra Pradesh, not to charge Guarantee Commission for Government Guarantee.

iii. The Guarantee shall be in force until all the bonds issued by the APPFCL or its successor entities pursuant to the above are redeemed.

2. In the reference 2nd read above, the Managing Director, Andhra Pradesh Power Finance Corporation Limited has requested the Government to amend the G.O.Ms.No.35, Energy, I&I (Power-III) Department, Dated 30.10.2018 as the unconditional and irrevocable Government Guarantee for availment of Term Loan from Banks as well as for servicing the Bonds.

3. Government after careful examination hereby issue the following amendment to the G.O. 1st read above.

AMENDMENT

"that the unconditional and irrevocable Government Guarantee for availment of term loan from Banks as well as for issue of bonds in the interest of reducing the burden of servicing of interest by the APEPDCL and APSPDCL and thereby improving its overall fiscal status".

4. This order issues with the concurrence of Finance Dept vide U.O.No.FIN01-BUGT0BL/13/2019-CDM, Dated: 04.09.2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SRIKANT NAGULAPALLI
SECRETARY TO GOVERNMENT

To
The C& MD, APTRANSCO & Chairman, APPCC, Vidyut Soudha, Vijayawada.

The Managing Director, APPFCL, Vidyut Soudha, Vijayawada.
The Chairman & Managing Director, APEPDCL, Visakhapatnam.
The Chairman & Managing Director, APSPDCL, Tirupati.
Copy to:
The G.A. (Cabinet-I) Department, AP Secretariat, Velagapudi.
The Finance (FMU, Energy,I&I) Department, AP Secretariat, Velagapudi.
The Principal AG (A&E), AP, Hyderabad.
The Pay & Accounts Officer, Vijayawada.
The P.S. to Prl.Secretary to CM, AP Secretariat, Velagapudi.
The P.S.to CS to Govt., AP Secretariat, Velagapudi.
The P.S.to Minister for Energy.
The P.S. to Secretary to Govt., Energy Department.
SF/SCs (Computer No.970202)

// FORWARDED:: BY ORDER //

SECTION OFFICER